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BEFORE THE ARIZONA CORPORATION COMMISSIONRECEIVED
AZ CORP COMMISSION

CARL J. KUNASEK

Chairman

JIM IRVIN

Commissioner

RENZ D. JENNINGS

Commissioner

JUN 18 2 11 PM '99

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IN THE MATTER OF U S WEST
COMMUNICATIONS, INC.'S
COMPLIANCE WITH SECTION 271
OF THE TELECOMMUNICATIONS
ACT OF 1996.

Docket No. AR-0000008636-0238
Arizona Corporation Commission**DOCKETED**

JUN 18 1999

DOCKETED BY

**COMMISSION STAFF'S RESPONSE TO THE
JUNE 8, 1999 PROCEDURAL ORDER****I. INTRODUCTION**

On June 8, 1999, the Commission issued a Procedural Order temporarily suspending the testimony filing and hearing dates scheduled in the above-captioned matter. In addition, the June 8, 1999 Order directed the parties to provide responses to 14 different issues by 4:00 p.m. on June 21, 1999. The following is Staff's responses to the 14 issues set forth in the Commission's June 8, 1999 Procedural Order.

II. DISCUSSION OF ISSUES RAISED**1. What Are The Current National Standards For OSS?**

Section 271 of the Telecommunications Act of 1996 ("1996 Act") requires the Bell Operating Companies ("BOC") to provide non-discriminatory access to unbundled network elements. The FCC has ruled that unbundled network elements include operational support systems ("OSS"). These systems are utilized by the BOC to provide service to its customers. The FCC subsequently ruled that utilization of these systems should be provided to Competitive Local Exchange Carriers ("CLEC's") so they could provide service to their customers on parity with the BOC. In the words of FCC Chairman Kennard, "non-discriminatory access requires BOCs to show that parity has been achieved, not perfection." In the context of orders issued on BOC Section 271 applications, the FCC has, by illustration, defined parity to mean the provision to CLECs of

1 transaction completion in the same time and manner as for BOC retail operations, and access by
2 CLECs to data, systems and other BOC resources on the same basis as BOC retail operations.

3 **2. For Areas In Which No National Standards Exist, When Are National**
4 **Standards Anticipated?**

5 The FCC has to-date addressed or delineated how the statutory standard should be met
6 primarily in the context of the five orders it has issued on BOC Section 271 applications filed with
7 it for approval. To the extent that the FCC has not addressed all aspects of BOC OSS and whether
8 they meet the standards set forth in the 1996 Act, the FCC will likely do so in future 271 applications
9 submitted to it for approval, particularly where it believes the standard has not been met. The FCC
10 has established no time table for the establishment of any rules or additional defined criteria to be
11 used in the evaluation process. However, the review of additional BOC 271 applications will, de
12 facto, establish additional criteria which the FCC believes important to meet the parity or
13 nondiscrimination standard.

14 **3. What Are The Current FCC Guidelines for OSS?**

15 As indicated in Staff's response to question 2 above, the current FCC pronouncements on
16 OSS are contained primarily in the FCC's five orders addressing Section 271 applications filed by
17 Ameritech in Michigan, SBC in Oklahoma, Bell South in Louisiana (two filings), and Bell South
18 in South Carolina. Several years ago, the FCC promulgated a notice of proposed rulemaking
19 (NOPR) focused upon the establishment of guidelines for BOC provision of OSS. To date, while
20 the FCC has obtained written comments by parties, it has not acted to adopt final rules.

21 As with the response to question No. 1, FCC guidance has been provided on an illustrative,
22 i.e. qualitative rather than quantitative basis. For example, in the BellSouth Louisiana FCC order,
23 the FCC stated that Average Installation Intervals, a measure of order provisioning, be provided to
24 CLECs at "parity" with BellSouth retail operations. It also stated that BellSouth provide Order
25 Status Notices and Firm Order Confirmations (FOCs) to CLECs within the same time and in the
26 same manner as to its own retail customers. Further, the FCC stated that CLEC order electronic flow
27 through rates be comparable to BellSouth residential and business flow through rates.
28

1 In the FCC NOPR issued on April 16, 1998, the FCC proposed measurements and reports
2 by which to analyze whether CLEC's are able to access the OSS of BOCs in a nondiscriminatory
3 and just and reasonable manner, consistent with the 1996 Act's requirements. This NOPR did not
4 propose specific performance standards or technical standards, but proposed measurements to
5 determine if parity is being achieved.

6 **4. What Are Other Standards This Commission Should Consider In Evaluating**
7 **Whether US WEST OSS Complies With Section 271?**

8 The Commission should consider such other requirements under State law as it believes
9 appropriate. For instance, it would be reasonable for the Commission to consider the results of its
10 own proceedings on service performance measurement standards and OSS.

11 **5. Has An OSS, Or Any Portion Of OSS, Been Approved By The FCC? If So,**
12 **Please Provide Specifics.**

13 The FCC has not approved the OSS of any BOC submitting a 271 application to it for
14 review. Although it has commented on the BOC'S OSS in the context of these applications, the
15 FCC has not specifically approved any individual portions of OSS. THE FCC comments in these
16 orders have generally been focused on the shortcomings of BOC OSS.

17 **6. What Type Of Collaborative Process Do You Recommend To Enable The**
18 **Parties To Reach An Agreement On An Acceptable OSS?**

19 Any collaborative process should include written Statements of Position by the parties on the
20 pertinent issues, as well as group discussions on how best to facilitate U S WEST's compliance with
21 this element of the competitive checklist. Staff and its Consultant would be willing to facilitate these
22 workshops. Staff proposes that any workshops of this nature be transcribed. Written positions on
23 pertinent issues should be submitted two weeks prior to the first workshop

24 **7. What Information Is Necessary To Enable You To Determine Whether U S**
25 **WEST's OSS Is Acceptable?**

26 Any information which would show whether the CLECs' access to U S WEST's OSS system
27 is on par with U S WEST's access would be important in the evaluation of whether U S WEST's
28 OSS meets the statutory standard. One important means of making this determination will be
through third-party testing of U S WEST's OSS to determine whether it complies with the standard

1 set out in the 1996 Act. Staff and its Consultant are in the process of conducting an evaluation of
2 U S WEST's OSS through tests and analysis of measurements of service performance provided by
3 the OSS. The results of the proposed workshops, in combination with Staff's independent
4 evaluation, should be used to determine the extent to which US WEST is compliant, and what
5 changes, if any, are necessary to achieve compliance. Staff and its Consultant also intend to provide
6 recommendations for necessary enhancements to U S WEST'S OSS to make it 271 compliant.

7 **8. Do You Agree That Formal Discovery Should Remain In Place During The**
8 **Workshop Phase Of OSS? Should The Discovery Process Be Modified, If So,**
9 **How?**

10 Yes, Staff believes it is important that formal discovery remain in place during the workshop
11 phase of OSS. Commission Staff has no suggestions for modifications to the discovery process at
12 this time. If formal discovery remains in place during the workshop phase of OSS, it should be
13 structured so as not to interfere or conflict with the workshop process.

14 **9. What Discovery Items That Had Been Incorporated Into Intervenors Testimony**
15 **Should Be Separated Out And Responded To By Intervenors Prior To The**
16 **Filing Of Testimony?**

17 If a collaborative process is undertaken, there should be no restrictions on discovery with
18 respect to OSS as long as the information requested is relevant and not unduly burdensome.

19 **10. How Should The Workshops Be Conducted To Ensure Maximum Results In**
20 **Assessing U S WEST's OSS? Who Should Participate? How Many Workshops**
21 **Do You Anticipate Being Useful, And Over What Period Of Time?**

22 The workshops should be conducted so that all parties have a full opportunity to participate
23 and give their positions on U S WEST's OSS. All parties to this docket should be allowed to
24 participate, as well as any other interested parties. Staff recommends that a specific number of
25 workshops be scheduled and that the parties be directed to give their positions within the time
26 prescribed so that parties do not abuse the process simply to engender delay.

27 There should be a series of three one day workshops focused on OSS specifically, starting
28 in mid-August and spaced at two week intervals. Workshop No. 1 would consist of participants
explaining previously submitted positions on major issues and responding to questions concerning
them. Workshop No. 2 would provide an opportunity for participants to respond to positions
covered in Workshop No. 1. Workshop No. 3 would continue the discussions in an effort to resolve

1 conflicts and/or differences in definitions and other matters relative to pertinent OSS issues. Staff
2 also recommends that early on in this process, a separate workshop be scheduled to reach agreement
3 or consensus on other checklist items, to the extent possible.

4 **11. Should A Staff Report Issue With Recommendations Regarding Existing OSS**
5 **Compliance And Modifications To Achieve Compliance? How Long After The**
6 **Last Workshop Will Staff Need To Issue A Report?**

7 The end product of the collaborative process should be a report by Staff with an analysis of
8 the parties positions, Staff's findings based upon its independent testing of U S WEST'S OSS and
9 recommendations on any modifications necessary to U S WEST's OSS. Staff would need at least
10 a month to analyze the positions of the various parties, evaluate its own independent testing of U S
11 WEST'S OSS, and form appropriate recommendations.

12 **12. How Much Time After Issuance Of A Staff Report Will You Need To Respond**
13 **To The Report?**

14 Commission Staff believes that parties should have two weeks to respond to any report.
15 Parties should also be given an opportunity for reply comment of approximately one week.

16 **13. When will the intervenors and Staff be able to file a preliminary statement**
17 **indicating whether U S WEST is in compliance with any checklist items?**

18 Commission Staff would be able to start filing preliminary statements on other checklist
19 items at any time. Staff believes there is no reason for delay on other checklist items.

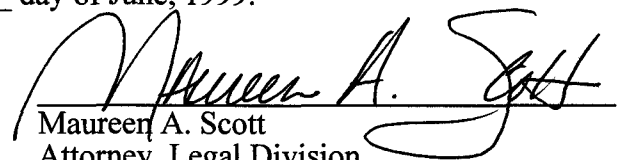
20 **14. Any other relevant information that the parties desire to provide.**

21 None at this time.

22 **III. CONCLUSION**

23 Staff respectfully requests that the Commission take the above comments into consideration
24 when structuring any collaborative process on U S WEST's OSS in this case.

25 RESPECTFULLY SUBMITTED, this 8th day of June, 1999.

26 
27 Maureen A. Scott
28 Attorney, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

1 The original and ten copies
2 of the foregoing were filed
3 this 18th day
4 of June, 1999, with:

5 Docket Control
6 ARIZONA CORPORATION COMMISSION
7 1200 West Washington Street
8 Phoenix, Arizona 85007

9 Copies of the foregoing were mailed this
10 18th day of June, 1999, to:

11 Thomas M. Dethlef
12 U S West Communications, Inc.
13 1801 California Street, #5100
14 Denver, Colorado 80202

15 Maureen Arnold
16 U S West Communications, Inc.
17 3033 N. third Street, Room 1010
18 Phoenix, Arizona 85012

19 Michael M. Grant
20 GALLAGHER AND KENNEDY
21 2600 N. Central Avenue
22 Phoenix, Arizona 85004-3020

23 Timothy Berg
24 FENNEMORE CRAIG
25 3003 N. Central Ave., Suite 2600
26 Phoenix, Arizona 85016

27 Mark Dioguardi
28 TIFFANY AND BOSCO PA
500 Dial Tower
1850 N. Central Avenue
Phoenix, Arizona 85004

Penny Bewick
ELECTRIC LIGHTWAVE, INC.
4400 NE 77th Avenue
Vancouver, Washington 98662

Thomas L. Mumaw
SNELL & WILMER
One Arizona Center
Phoenix, Arizona 85004-0001

Robert Munoz
WORLDCOM, INC.
185 Berry Street, Bldg. #1, #5100
San Francisco, California 94107

1 Donald A. Low
SPRINT COMMUNICATIONS CO L.P.
2 8140 Ward Parkway SE
Kansas City, Missouri 64114
3
4 Deborah S. Waldbaum
TELEPORT COMMUNICATIONS GROUP INC.
201 N. Civic Drive, Suite 210
5 Walnut Creek, California 94596
6
7 Carrington Phillips
COX COMMUNICATIONS
1400 Lake Hearn Drive, N.E.
Atlanta, Georgia 30319
8
9 Thomas H. Campbell
LEWIS & ROCA
40 N. Central Avenue
10 Phoenix, Arizona 85007
11
12 Bill Haas
Richard Lipman
McLEOD USA
6400 C Street, SW
13 Cedar Rapids, Iowa 54206-3177
14
15 Richard Smith
COX CALIFORNIA TELECOM, INC.
529 Jack London Square
Oakland, California 94697
16
17 Richard M. Rindler
Morton J. Posner
SWIDLER & BERLIN SHEREFF FRIEDMAN, LLP
18 3000 K Street, N.W. Suite 300
Washington, D.C. 20007
19
20 Lex J. Smith
Michael W. Patten
BROWN & BAIN
21 2901 N. Central Avenue
P.O. Box 400
22 Phoenix, Arizona 85004-0400
23
24 Charles Kallenbach
AMERICAN COMMUNICATIONS SERVICES INC
131 National Business Parkway
Annapolis Junction, Maryland 20701
25
26 Karen L. Clauson
Thomas F. Dixon
MCI TELECOMMUNICATIONS CORP
27 707 17th Street, #3900
Denver, Colorado 80202
28

1 Kath Thomas
2 BROOKS FIBER COMMUNICATIONS
3 1600 s. Amphlett Blvd, #330
4 San Mateo, California 94402

5 Richard S. Wolters
6 AT&T & TCG
7 1875 Lawrence Street, Suite 1575
8 Denver, Colorado 80202

9 Joyce Hundley
10 UNITED STATES DEPARTMENT OF JUSTICE
11 Antitrust Division
12 1401 H Street NW, Suite 8000
13 Washington, D.C. 20530

14 Joan Burke
15 OSBORN MALEDON
16 2929 N. Central Avenue, 21st Floor
17 P.O. Box 36379
18 Phoenix, Arizona 85067-6379

19 Stephen Gibelli
20 RUCO
21 2828 N. Central Avenue, Suite 1200
22 Phoenix, Arizona 85004

23
24
25
26
27
28
By: 